



Pearl Meyer

WorldatWork 2018 Total Rewards Conference &
Exhibition

Getting Crushed by Salary Compression?

Monday May 21, 2018

Dylan Allread
Steffany Jay
Wyatt Allread
Rebecca Toman

Thank you for attending our session.

This session will include X Polling Questions that you can access via the WorldatWork Conference App.



Dylan Allread, VP of Human Resources



Steffany Jay, Senior Compensation Manager



Wyatt Allread, Survey Account Manager



Rebecca Toman, Survey Operations Manager

- What is Salary Compression?
- Negative Impact of Compression
- Survey Findings
- How to Address and Avoid Compression
- Additional Findings and Takeaways
- Polling Questions

What Is Salary Compression?



What Are The Negative Impacts Of Salary Compression?





Salary Compression Practices in the United States - Survey Findings



Salary Compression Practices In The United States

Number of Participants

101

**Average Total Number of
Full Time Employees**

27,251

Data Collected

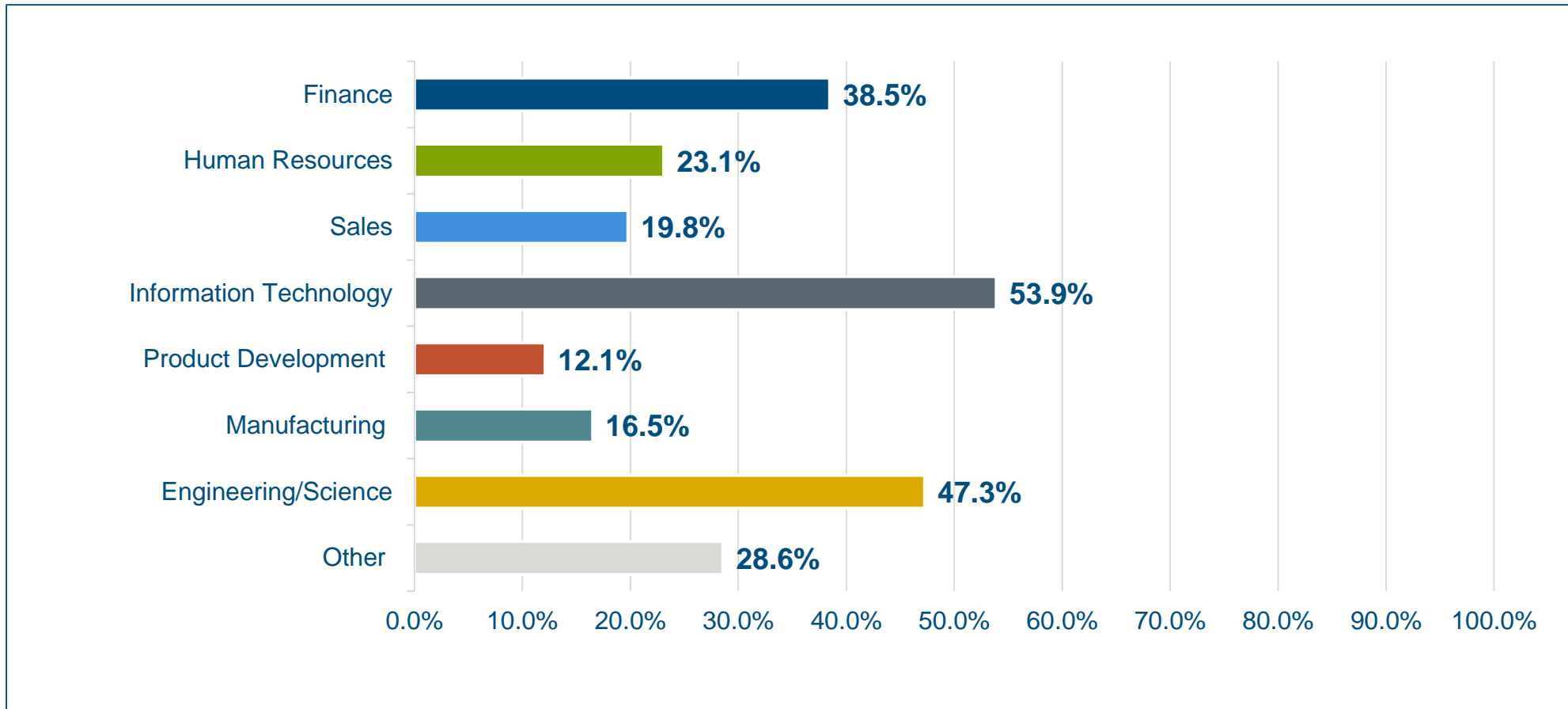
**June through August
2017**

Average Revenue

\$21,653(M)

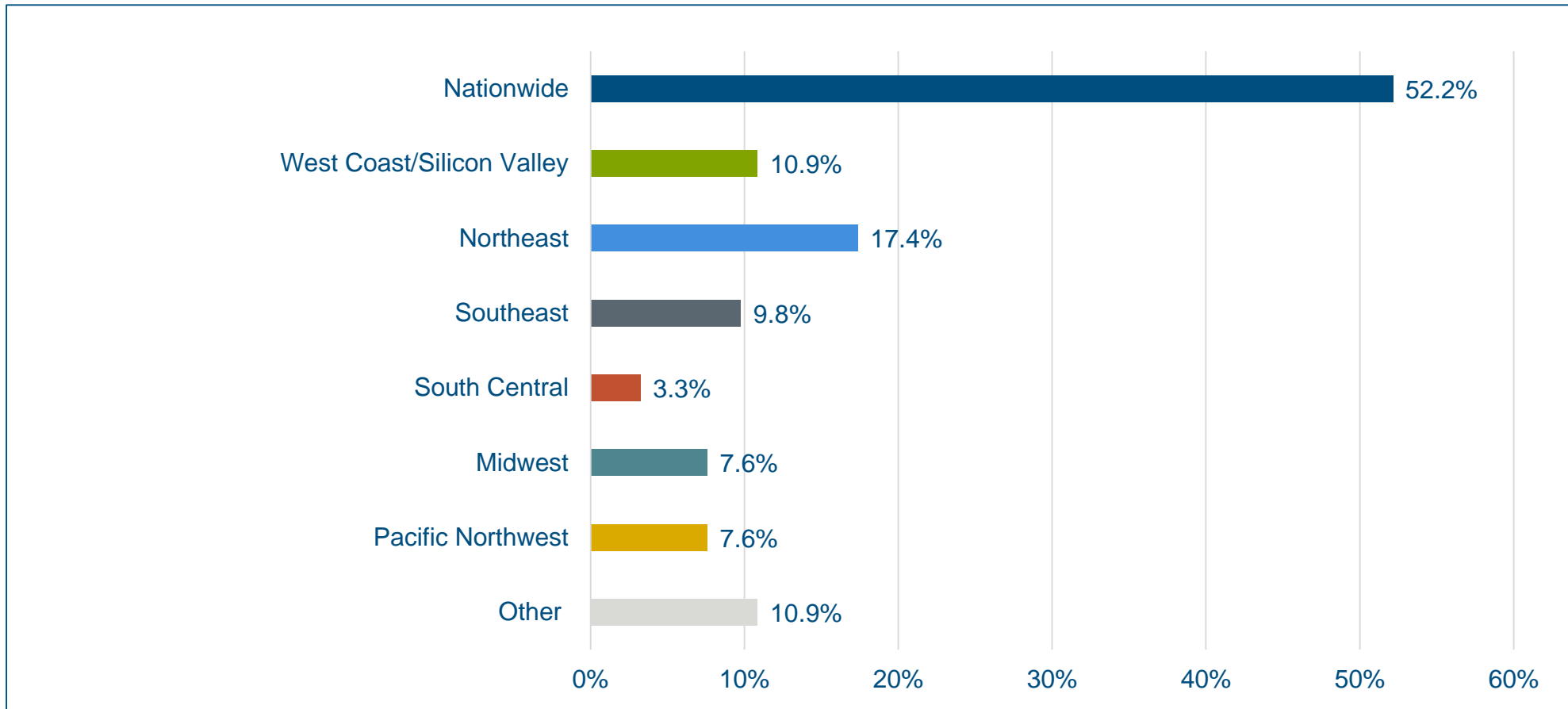
Salary Compression Practices In The United States

In what job families within your organization are you currently experiencing salary compression?



Salary Compression Practices In The United States

Is your organization experiencing salary compression issues nationwide or in one or more regions?



Salary Compression Practices In The United States

QUICK FACTS

68%

OF RESPONDENTS said they do not address compression differently based on the skill or managerial level of employees, which suggests most organizations take a one-size-fits-all approach.

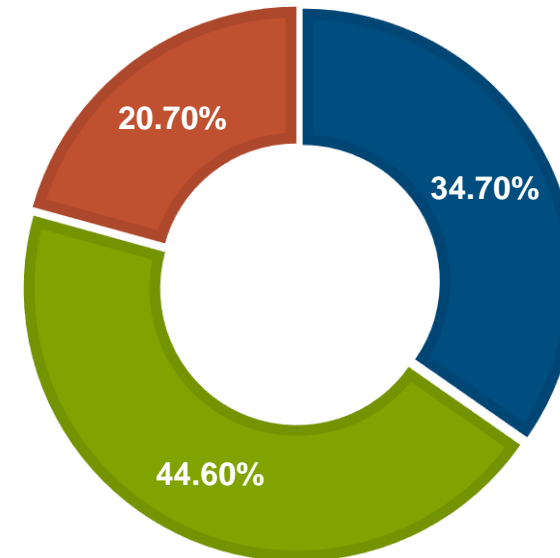
ONLY 35%

of organizations said they have completed a compression-related salary adjustment in the last year.

Average adjustments differ based on level of employee, but range from

4% TO 6%.

IS PAY TRANSPARENCY A MATTER OF CONCERN WITHIN YOUR ORGANIZATION?



■ Yes ■ No ■ Unknown



Polling Question #1

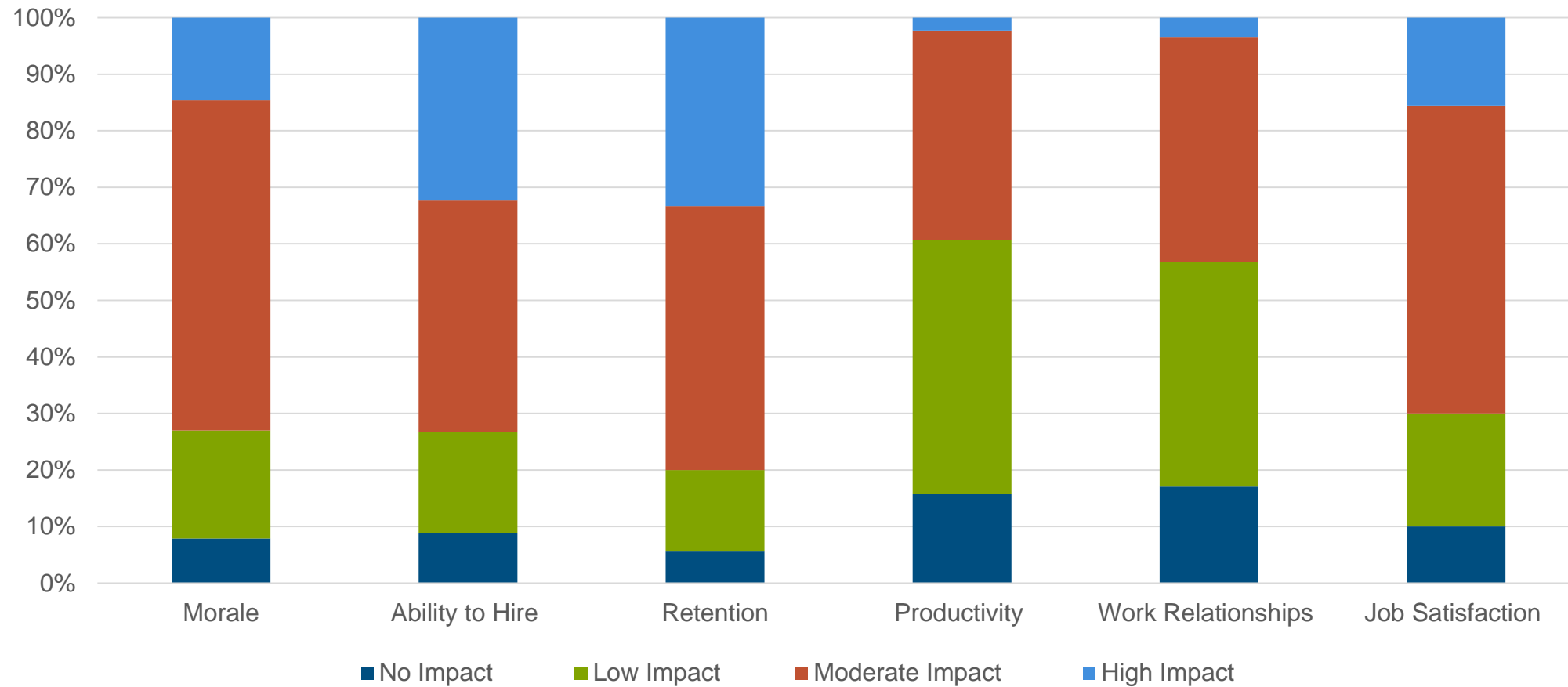
Have you ever shared your salary information with colleagues / peers?

?

[Click Here for Poll Results](#)

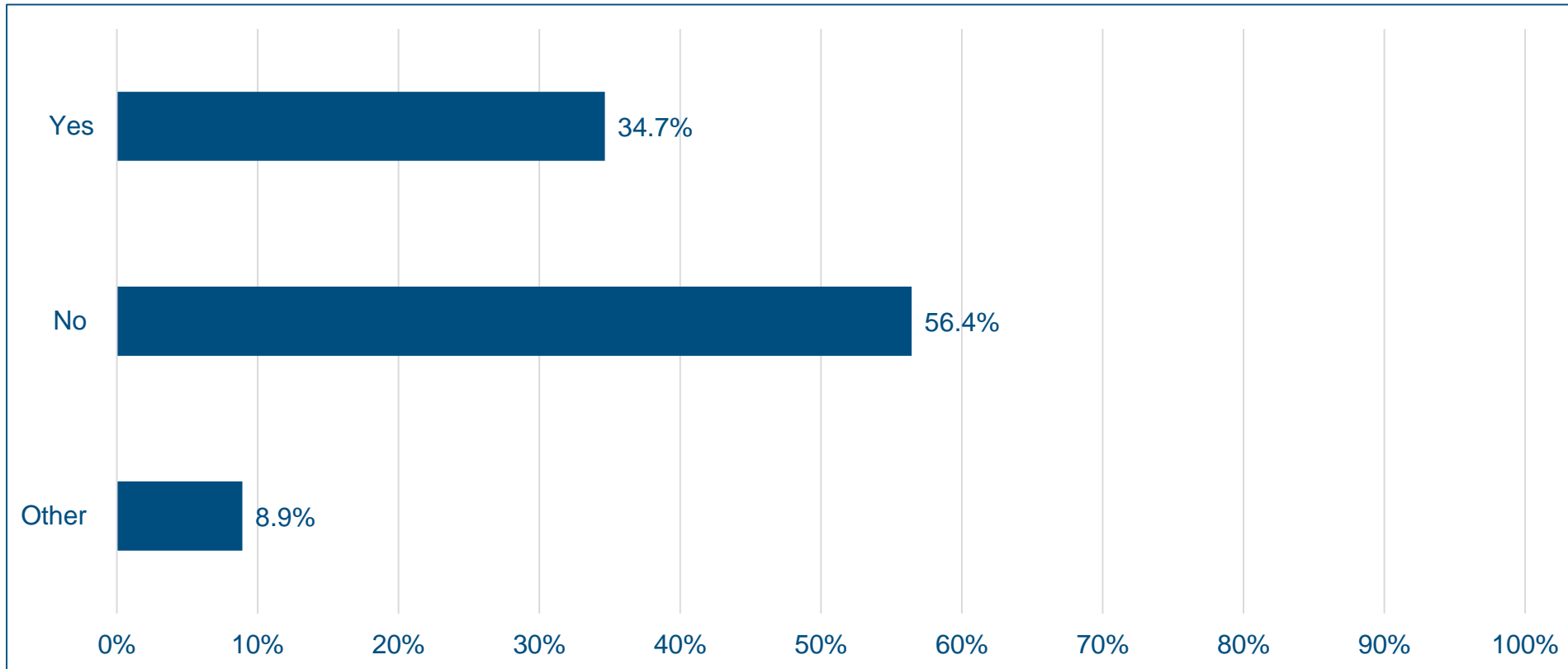
Salary Compression Practices In The United States

How does salary compression impact your organization?



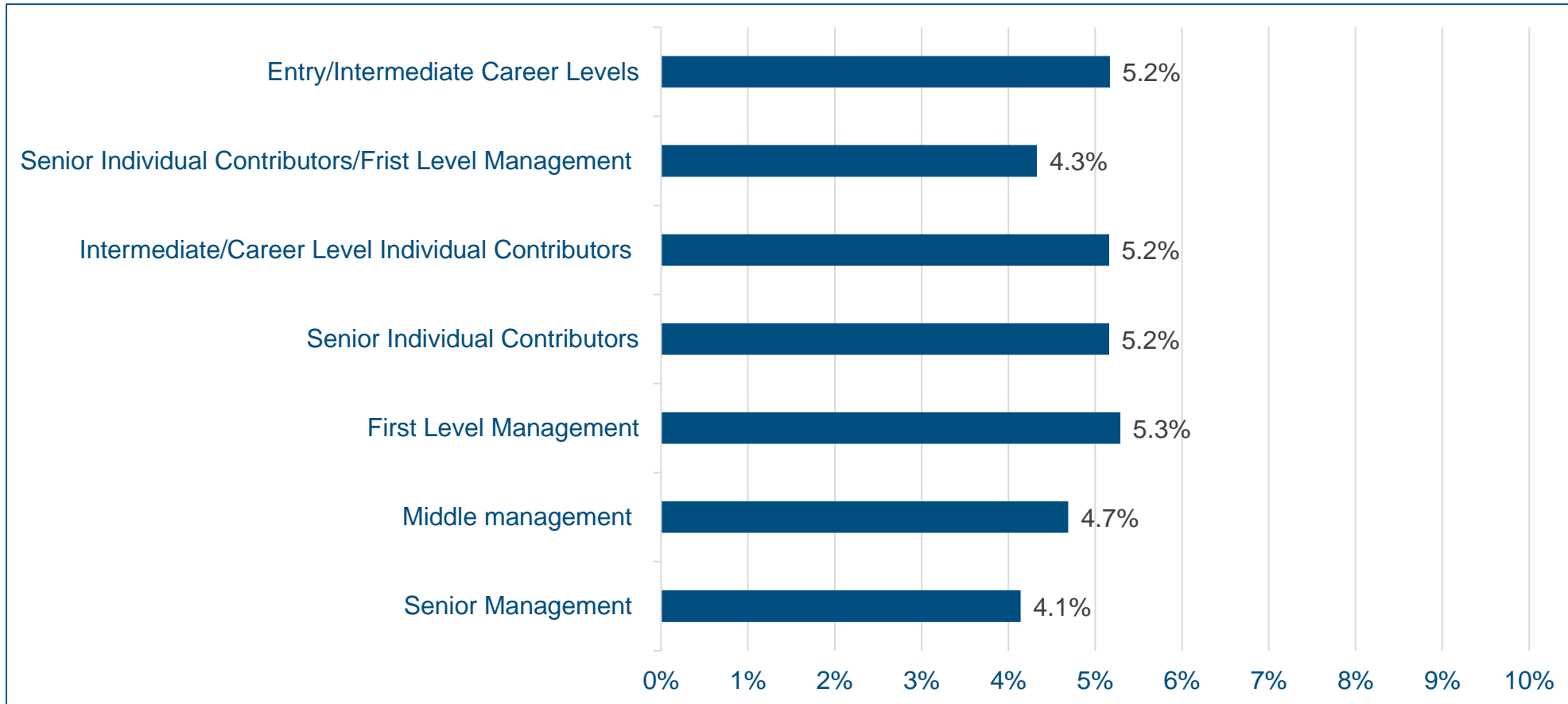
Salary Compression Practices In The United States

Has your organization completed a compression related salary adjustment in the last year?



Salary Compression Practices In The United States

If yes, what was the average base salary adjustment?





Polling Question #2

Are your line managers trained to discuss salary compression concerns from employees?

?

[Click Here for Poll Results](#)

How Do You Address And Avoid Salary Compression?





Polling Question #3

Have you ever left a job because you were not being paid fairly as compared to colleagues?

?

[Click Here for Poll Results](#)

- Salary transparency exists so assume that employees know if they are being paid unfairly.
- Compression is linked to costly turnover.
- Over the long term companies will pay the price for ignoring compression.
- Compression can be avoided with proper planning, education and communication strategy.



Thank you attending our session.

If you would like us to provide you with a complimentary copy of our
Salary Compression Practices Survey, please contact
surveys@pearlmeyer.com.



About Pearl Meyer

Pearl Meyer is the leading advisor to boards and senior management on the alignment of compensation with organizational and leadership strategies, making pay programs a powerful catalyst for value creation and competitive advantage. Our survey team provides organizations with accurate, on-point information supporting effective business decisions. Pearl Meyer's global clients stand at the forefront of their industries and range from emerging high-growth, not-for-profit, and private companies to the Fortune 500 and FTSE 350. The firm has offices in New York, Atlanta, Boston, Charlotte, Chicago, Houston, London, Los Angeles, and San Jose.

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